

## **Overview of the Child Support Enforcement Program An Intergovernmental Partnership Ensuring Financial Support and Parental Involvement**

Created in 1975, the child support program ensures that children in single-parent households receive a reliable source of private financial and medical support. Today, it **supports a fourth (over 17 million) of the nation's children from all socioeconomic backgrounds**. The program increases family self-sufficiency, reduces child poverty, and encourages both mother and father to be involved and committed to their children.

The program's **core functions** are:

- Locating parents;
- Establishing paternity;
- Establishing child support orders;
- Enforcing those orders;
- Collecting and distributing child support obligations

Child support staff use a variety of methods and tools to carry out the above core functions to support children and their families. Using administrative and judicial processes, child support staff **locate employers and work with them to withhold a portion of wages paid to employees owing support**.

To the extent there may be other income available, child support staff pursue many other strategies to potentially offset public benefit costs by:

- Offsetting Unemployment Insurance Benefits
- Offsetting Federal and State Income Tax Refunds
- Suspending Driver's Licenses
- Seizing Bank Accounts
- Placing liens on Real and Personal Property
- Denying a US Passport
- Denying hunting/fishing and other recreational licenses
- Denying professional and occupational licenses

**States also collaborate with each other** to ensure that parents living in a state different from their children meet their obligations.

### **Child Support Does More Than Collect Dollars**

During the economic recession, agencies have worked hard with fathers to find **and maintain work, and modify support orders when necessary** so that parents do not fall hopelessly behind in payments. Agencies try to build a culture of compliance, so that parents support their children voluntarily and reliably.

Agencies **promote stable, safe, and healthy relationships between parents and children** by participating in the larger community's efforts to strengthen families, and **encourage healthy marriage and responsible parenthood**.

Agencies have developed targeted, specific initiatives to **work with special populations**, including incarcerated or formerly incarcerated parents.

### **This Federal, State, Local and Tribal Partnership Works!**

- Efficiently administered, **the program collected \$26.4 billion** from non-custodial parents in FFY 2009 and **distributed \$24.4 billion directly to families**.

- Payments have a huge impact on child poverty. Child support received by families is **39% of the income** of those headed by single poor mothers and **reduces their poverty rate by nearly 25%**.
- The Urban Institute has estimated that **\$4 in child support expenditures reduces spending in public programs by \$5**.
- OMB has characterized the child support program as “one of the highest rated block/formula grants of all reviewed programs government-wide....” **For every dollar the government spends on enforcement, \$4.78 is collected in child support**.
- Historically, **child support reaches more children than any federally-funded program, with the exception of Medicaid**. Given the recession, child participation in SNAP (food stamps) is a close third.

### **Child Support’s Continued Success is At Risk**

- A **Republican House and Senate and Democratic Administration collaborated** in 1998 to establish a provision within child support to **reward efficient results-oriented programs while penalizing those not meeting standards**. Earned performance incentive funds must be re-invested in the program. The law was also crafted specifically to enable states and counties to use incentive payments toward leveraging additional federal investments in the program.
- The Deficit Reduction Act of 2005 (**DRA**) **eliminated the incentive match** but it was restored via the American Recovery and Reinvestment Act. It expired again on October 1, 2010.
- After the DRA’s enactment, **many states filled the federal funding gap** with state revenues due to the program’s demonstrated success. Now facing continued huge budget shortfalls, **few states are able to continue to backfill** the federal funding loss.
- The loss of the ability to match funding results in an **immediate 16 percent budget reduction** in an average state. Ironically, **high-performing states are penalized disproportionately** since they have earned more for operating efficiently.
- Last year, the U.S. Department of Health and Human Services estimated that child support **collections will decrease by \$2 billion per year without the incentive match**.
- In 2010, the Congressional Budget Office estimated that a **one- year restoration** of the match would **cost \$500 million**.
- Sponsored by Senators Rockefeller (D-WV), Cornyn (R-TX) Kohl (D-WI) and Snowe (R-ME), a **bipartisan bill (S. 1859) was introduced in 2009 to restore the match permanently**. The Child Support Protection Act ultimately **garnered 40 cosponsors**, but a bi-partisan provision to temporarily restore the match died when an offset to pay for the provision was no longer available when the bill reached the Senate floor. The overall measure (H.R. 4783) was signed into law (P.L. 111-291) and, among its provisions, extended the Temporary Assistance for Needy Families program through September 30, 2011.
- **Nearly 30 national and state organizations supported the bill**, including child support, labor, business, faith-based and child advocacy groups.
- The **same bill has been reintroduced this year**. We urge Senators show their support for America’s families by cosponsoring the legislation (S. 195).